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DA 22-685

(continued....)

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APPLICATIONS GRANTED FOR THE TRANSFER OF CONTROL OF GLOBAL CROSSING AMERICAS SOLUTIONS, LLC, CENTURYLINK LATIN AMERICAN SOLUTIONS, LLC, AND LEVEL 3 COMMUNICATIONS ST. CROIX, INC. TO PATAGONIA HOLDCO LLC, AND APPLICATION FOR INTERNATIONAL SECTION 214 AUTHORITY GRANTED TO CENTURYLINK LATIN AMERICAN SOLUTIONS, LLC

WC Docket No. 21-340

By this Public Notice, the Wireline Competition Bureau and the International Bureau (together, Bureaus) grant, as conditioned, the applications filed by Lumen Technologies, Inc. (Lumen), Global Crossing Americas Solutions, LLC (GCAS), CenturyLink Latin American Solutions, LLC (CLAS), Level 3 Communications St. Croix, Inc. (Level 3 St. Croix) (GCAS, CLAS, and Level 3 St. Croix, collectively, the Lumen LatAm Entities), and Patagonia Holdco LLC (Patagonia Holdco) (Lumen, the Lumen LatAm Entities, and Patagonia Holdco, collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended (Act), the Cable Landing License Act of 1921, and sections 1.767, 63.03-04, 63.18, and 63.24 of the Commission's rules, requesting approval to transfer control of the Lumen LatAm Entities from Lumen to Patagonia Holdco.

¹ 47 U.S.C. § 214.

² 47 U.S.C. §§ 34-39; *see also* Exec. Ord. No. 10530, Sec. 5(a), reprinted as amended at 3 U.S.C. § 301 (delegating the President's authority under the Cable Landing License Act to the Commission).

³ 47 CFR §§ 1.767, 63.03-04, 63.18, 63.24.

⁴ Joint Application for Consent to Transfer Control of Section 214 Authority and Submarine Cable Licenses, WC Docket No. 21-340 (filed Aug. 20, 2021) (Lead Application). As referenced in Attachment A to this Public Notice, the Bureaus grant the applications filed for the transfer of control of domestic and international section 214 authority, an application for international section 214 authority for CLAS, a pro forma assignment of cable landing licenses to GCAS, and an application for the transfer of control of submarine cable landing licenses held by GCAS (collectively, Applications). On September 20, 2021, May 2, 2022, May 9, 2022, May 10, 2022, May 19, 2022, June 15, 2022, and June 21, 2022, Applicants filed supplements to the Applications. Letter from Nicholas Alexander, Counsel to Lumen Technologies, Inc., and Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed Sept. 20, 2021) (Sept. 20, 2021 Supplement); Letter from Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed May 2, 2022) (May 2, 2022 Supplement); Letter from Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed May 9, 2022) (May 9, 2022 Supplement); Letter from Karen L. Milne, Counsel to Lumen Technologies, Inc. et al., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed May 10, 2022) (May 10, 2022)

The International Bureau also grants the application filed by Patagonia Holdco pursuant to section 63.18 of the Commission's rules,⁵ for section 214 authority for CLAS to provide international telecommunications services upon consummation of the proposed transaction.⁶

On September 24, 2021, the Bureaus released a public notice seeking comment on the Applications.⁷ The Bureau did not receive comments or petitions in opposition to the Applications.

On May 9, 2022, the National Telecommunications and Information Administration (NTIA), on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), submitted a Petition to Adopt Conditions to Authorization and License. In order to address national security and law enforcement considerations, we impose a transaction-related condition on the grant of the Applications. Specifically, we grant the subsequently filed June 28 Committee Petition and condition grant of the Applications on compliance by the Applicants with the commitments and undertakings set out in the Letters of Agreement filed with that Petition.

Applicants, Services Provided, and Description of the Transaction

Lumen, a publicly-traded Delaware corporation, provides telecommunications services, broadband, and other services in the United States and the U.S. territories in the Caribbean through its various operating subsidiaries. Lumen indirectly wholly-owns the Lumen LatAm Entities. The Lumen LatAm Entities provide competitive enterprise and wholesale telecommunications services in the United States and the U.S. territories in the Caribbean. CCAS, a Delaware limited liability company, is a

Supplement); Letter from Karen L. Milne, Counsel to Lumen Technologies, Inc. and Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed May 19, 2022) (May 19, 2022 Supplement); Letter from Karen L. Milne, Counsel to Lumen Technologies, Inc. and Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed June 15, 2022) (June 15, 2022 Transfer of Control Supplement); Letter from Wayne D. Johnsen, Counsel to Patagonia Holdco LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed June 21, 2022) (June 21, 2022 Supplement). Any action on the Applications is without prejudice to Commission action on other related, pending applications.

⁵ 47 CFR § 63.18.

⁶ Lead Application at 2, Attach. 5 (International Section 214 Authorization Application).

⁷ Applications Filed for the Transfer of Control of Global Crossing Americas Solutions, LLC, CenturyLink Latin American Solutions, LLC, and Level 3 Communications St. Croix, Inc. to Patagonia Holdco, LLC, and for Grant of International Section 214 Authority to CenturyLink Latin American Solutions, LLC, WC Docket No. 21-340, Public Notice, DA 21-1204 (WCB, IB 2021) (Public Notice).

⁸ National Telecommunications and Information Administration, Petition to Adopt Conditions to Authorization and License, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed May 9, 2022) (filing original Petition to Adopt Conditions to Authorization and License). National Telecommunications and Information Administration, Petition to Adopt Conditions to Authorization and License, WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 (filed June 28, 2022) (filing revised Petition to Adopt Conditions to Authorization and License to reflect correction of LOA signatories to remove Lumen Technologies, Inc. and Level 3 Communications St. Croix, Inc.) (June 28 Committee Petition).

⁹ Lead Application at 3, 16, Attach. 3. Applicants state that Lumen's operating subsidiaries are authorized by the Commission and state public utility commissions to provide telecommunications services in all 50 states and the District of Columbia. *Id.*, Attach. 3.

¹⁰ *Id*. at 4.

¹¹ Id., Attach. 3 (Information required by 47 CFR § 63.04).

licensee on the Americas-II submarine cable system¹² and provides domestic and international telecommunications services.¹³ While the Applications were pending, Global Crossing Telecommunications, Inc. (GCTI), an indirect, wholly-owned subsidiary of Lumen, assigned its interests in the submarine cable landing licenses for the Mid-Atlantic Crossing (MAC),¹⁴ Pan American Crossing (PAC),¹⁵ and South American Crossing (SAC)¹⁶ submarine cable systems (collectively, LatAm Cable Licenses) to GCAS.¹⁷ CLAS, a Delaware limited liability company, provides domestic telecommunications services and currently provides international telecommunications services pursuant to the international section 214 authorization held by its direct parent, Level 3 Communications, LLC

¹² *Id.* at 4. *See also* IB File Nos. SCL-LIC-19980429-00019, SCL-MOD-20191202-00038.

¹³ Lead Application at 4. *See also* IB File Nos. ITC-214-19950717-00062, ITC-214-19950831-00047, ITC-214-19970703-00372, ITC-MOD-20200221-00034.

¹⁴ See IB File Nos. SCL-LIC-19981030-00023, SCL-MOD-20020415-00035. There are three U.S. cable landing stations of the MAC cable system, which are located in Hollywood, Florida; Shirley (Brookhaven), New York; and St. Croix, U.S. Virgin Islands. Letter from Karen L. Milne, Counsel to Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC, IB File No. SCL-ASG-20220323-00012, at 2 & n.1 (filed Aug. 13, 2022) (Aug. 13, 2022 Supplement); Letter from Karen L. Milne, Counsel to Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC, IB File No. SCL-ASG-20220323-00012, at 1-2 (filed June 15, 2022) (June 15, 2022 *Pro Forma* Supplement); June 15, 2022 Transfer of Control Supplement at 2.

¹⁵ See IB File Nos. SCL-LIC-19981103-00022, SCL-MOD-20110524-00020. There are two U.S. cable landing stations of the PAC cable system, which are located in Grover Beach, California and St. Croix, U.S. Virgin Islands. Aug. 13, 2022 Supplement at 3; June 15, 2022 *Pro Forma* Supplement at 1-2; June 15, 2022 Transfer of Control Supplement at 2-3.

¹⁶ See IB File Nos. SCL-LIC-19990823-00015, SCL-MOD-20150129-00002. There is one U.S. cable landing station of the SAC cable system, which is located in St. Croix, U.S. Virgin Islands. Aug. 13, 2022 Supplement at 3; June 15, 2022 *Pro Forma* Supplement at 1-2; June 15, 2022 Transfer of Control Supplement at 2.

¹⁷ Lead Application at 2, n.3; id. at 4, n.8. On March 23, 2022, a notification was filed concerning the pro forma assignment of the cable landing licenses held by GTCI for the MAC, PAC, and SAC cable systems to GCAS, effective March 1, 2022. See Global Crossing Telecommunications, Inc. and Global Crossing Americas Solutions, LLC, Notification of Pro Forma Assignment of Cable Landing Licenses, IB File No. SCL-ASG-20220323-00012 (filed Mar. 23, 2022) (Pro Forma Notification). GCTI and GCAS filed supplements to the pro forma assignment notification on August 13, 2022 and June 15, 2022. Aug. 13, 2022 Supplement; June 15, 2022 Pro Forma Supplement. On March 1, 2022, Lumen effected an internal reorganization pursuant to which, among other things, the LatAm Cable Licenses were assigned from GCTI to GCAS, both of which are indirect, wholly-owned subsidiaries of Lumen. Pro Forma Notification at 2. The restructuring was undertaken to facilitate the proposed transfer of control of certain subsidiaries of Lumen, including GCAS, to Patagonia Holdco. Id. at 2. The pro forma assignment of the LatAm Cable Licenses occurred in two steps: (1) First, GCTI assigned the LatAm Cable Licenses up the ownership chain to GCTI's indirect parent, Level 3 Communications LLC (Level 3), a Delaware entity; (2) Immediately thereafter, Level 3 assigned the LatAm Cable Licenses to its direct subsidiary, GCAS. Id. at 2 & n.4. Applicants state that while Patagonia Holdco is acquiring the LatAm Cable Licenses and assets associated therewith as part of the proposed transaction, it is not acquiring GCTI; rather, GCTI will continue to be an indirect, whollyowned subsidiary of Lumen both before and after consummation of the proposed transaction. Lead Application at 4, n.8. See also infra note 33.

(Level 3). Level 3 St. Croix is a corporation formed under the laws of the U.S. Virgin Islands and provides domestic telecommunications services. 19

Patagonia Holdco, a Delaware limited liability company, was formed for the purpose of acquiring the Lumen LatAm Entities and does not, itself, provide telecommunications services.²⁰ Following the consummation of the proposed transaction, Patagonia Holdco will be indirectly wholly owned by Stonepeak Patagonia Holdings LLC (SP Holdings), a Delaware limited liability company, which, in turn, will be owned by Stonepeak Patagonia Intermediate Holdings LP (SP Intermediate Holdings), a Delaware limited partnership holding an approximate 70% equity and 70% voting interest in SP Holdings, and Australian Super Investment Fund No. 2 (Aus Super Fund No. 2), an Australian Trust holding an approximate 30% equity and 30% voting interest in SP Holdings.²¹ Applicants state that the sole limited partner of SP Intermediate Holdings is Stonepeak Patagonia Upper Holdings LP (SP Upper Holdings), a Delaware limited partnership, and that the limited partners of SP Upper Holdings will be investment funds affiliated with Stonepeak Partners LP (d/b/a Stonepeak Infrastructure Partners (Stonepeak)), a Delaware limited partnership.²² Specifically, five funds hold limited partnership interests in SP Upper Holdings: (1) Stonepeak Infrastructure Fund IV (AIV V) LP (37.9% equity), a Delaware limited partnership; (2) Stonepeak Infrastructure Fund IV (Lux) (AIV VIII) SCsp (4.7% equity), a Luxembourg special limited partnership; (3) Stonepeak Patagonia (Co-Invest) Holdings LP (42.5% equity), a Delaware limited partnership; (4) Stonepeak Infrastructure Fund-W (Side Car) (AIV II) LP, (2.0% equity), a Delaware limited partnership; and (5) Stonepeak Infrastructure Fund Super Co-Invest (AIV II) LP (12.9% equity), a Delaware limited partnership.²³ Stonepeak is indirectly and ultimately controlled by Michael

¹⁸ Lead Application. at 4-5. CLAS is a wholly-owned subsidiary of Level 3 and provides international services under the international section 214 authorization held by Level 3 (ITC-214-19971229-00821), pursuant to section 63.21(h) of the Commission's rules, 47 CFR § 63.21(h). *Id.* at 2, n.5, Attach. 1 at 2; Sept. 20, 2021 Supplement at 3. Applicants state that notification pursuant to section 63.21(h) of the Commission's rules, 47 CFR § 63.21(h), was provided to the Commission on April 9, 2014. Sept. 20, 2021 Supplement at 3 & n.7. Applicants state that because Level 3 is not being acquired by Patagonia Holdco as part of the proposed transaction, but instead will remain under the control and ownership of Lumen, CLAS will need its own international section 214 authorization in order to continue providing international telecommunications services upon consummation of the proposed transaction. Lead Application at 2 & n.5; *id.* at 4-5, 11, Attach. 5 (International Section 214 Authorization Application). CLAS requests grant of international section 214 authority to provide international global facilities based and global resale telecommunications services. *Id.*, Attach. 5.

¹⁹ Lead Application at 5.

²⁰ *Id.* at 5, 28, Attach. 3.

²¹ *Id.* at 5. Applicants state that the beneficial owner of AusSuper Fund No. 2 is AustralianSuper, Australia's largest public offer superannuation (pension) fund and that the Trustee of AusSuper Fund No. 2 is AustralianSuper Investments Pty Ltd (AusSuper Investments), an Australian Proprietary Company. *Id.* at 5-6. AusSuper Investments is wholly owned by AustralianSuper Pty Ltd (AusSuper PTY), an Australian Proprietary Company, which is also the Trustee of AustralianSuper. *Id.* at 5-6, 24-25, Attach. 1 at 3. AusSuper PTY is equally owned by the Australian Council of Trade Unions, a union body representing Australian workers, and the Australian Industry Group, an employer organization representing Australian businesses. *Id.* at 6, 25, Attach. 1 at 3.

²² *Id.* at 6; June 21, 2022 Supplement at 1.

²³ *Id.* at 6; May 2, 2022 Supplement at 2-3, Attach. A (Post-Consummation Ownership); June 15, 2022 Transfer of Control Supplement, Attach. A (Updated Post-Consummation Structure Chart). The five funds represent updated ownership information associated with the syndication process explained in the Lead Application. May 2, 2022 Supplement at 2 & n.7 (citing Lead Application at 6, n.12; *id.* at 25-26). None of the limited partners of these five funds will hold a 10% or greater indirect equity interest in Patagonia Holdco or the Lumen LatAm Entities. May 2, 2022 Supplement at 3. Applicants state that the general partner of both SP Intermediate Holdings and SP Upper Holdings is Stonepeak Associates IV LLC (Associates IV), a Delaware limited liability company. Lead Application at 6.

Dorrell, a U.S. and Australian citizen.²⁴ Applicants state that other than the interest holders identified, no other entity or individual will, upon consummation of the proposed transaction, hold a 10% or greater direct or indirect equity or voting interest in Patagonia Holdco or the Lumen LatAm Entities.²⁵

Stonepeak is affiliated with ExteNet Systems, Inc (ESI) and its subsidiaries,²⁶ which collectively hold authorizations to provide intrastate telecommunications services in multiple states,²⁷ and Radiate Holdings, L.P. (Radiate) and its subsidiaries,²⁸ which provide telecommunications, cable, and broadband services in multiple states.²⁹

Pursuant to the terms of the proposed transaction, Patagonia Holdco will directly or indirectly acquire all of the equity interests of the Lumen LatAm Entities, resulting in the transfer of control of GCAS, CLAS, and Level 3 St. Croix to Patagonia Holdco.³⁰ Additionally, pursuant to an internal restructuring that will be effectuated on the closing date, Level 3 St. Croix will become a direct, wholly owned subsidiary of GCAS.³¹ The LatAm Cable Licenses held by GCTI have been assigned to GCAS on a *pro forma* basis, along with the related submarine cable infrastructure for each of those systems.³² Consequently, Applicants seek consent to the transfer of control of GCAS as the licensee of the MAC, PAC, and SAC submarine cable systems as well as a licensee on the Americas-II cable.³³

Applicants assert that a grant of the applications would serve the public interest, convenience, and necessity.³⁴ They state that Stonepeak's investment will provide the Lumen LatAm Entities access to additional financial resources, allowing Lumen to focus on further developing and improving its network and services, while allowing the Lumen LatAm Entities to strengthen their focus on their core operations, including increasing attention to network investment and development of high-speed infrastructure services.³⁵ The Lumen LatAm Entities will continue to serve customers pursuant to existing service arrangements.³⁶ According to the Applicants, the proposed transaction will not adversely affect communications competition in any domestic or U.S. international market.³⁷

²⁴ Lead Application at 8; id. at 7 & n.13, 24; May 2, 2022 Supplement, Attach. A.

²⁵ Lead Application at 26; May 2, 2022 Supplement, Attach. A.

²⁶ Lead Application at 13, n.22; *id.* at 5-6, 8, Attach. 3; Sept. 20, 2021 Supplement at 1-3; May 2, 2022 Supplement, Attach. A.

²⁷ Lead Application at 8.

²⁸ *Id*. at 8-9.

²⁹ *Id*.

³⁰ *Id.* at 10. Applicants provide a listing of the authorizations and licenses to be held by GCAS, CLAS, and Level 3 St. Croix. *Id.*, Attach. 6 ("Authorizations Held by Lumen LatAm Entities"); *see id.* at 4, nn.6-8.

³¹ June 15, 2022 Transfer of Control Supplement at 2.

³² Lead Application at 4 & n.8; *id.* at 10; May 2, 2022 Supplement at 1, n.2; *Pro Forma* Notification at 1-2; May 13, 2022 Supplement at 2-4; June 15, 2022 *Pro Forma* Supplement at 1-2; *see supra* note 18. June 15, 2022 *Pro Forma* Supplement at 1-2 (describing ownership and control of U.S. cable landing stations); June 15, 2022 Transfer of Control Supplement at 2-4 (describing ownership and control of U.S. cable landing stations).

³³ Lead Application at 10. June 15, 2022 Transfer of Control Supplement at 2-4 (describing ownership and control of U.S. cable landing stations).

³⁴ Lead Application at 11-14.

³⁵ *Id.* at 12-14.

³⁶ *Id*. at 14.

³⁷ *Id.* at 13-14; Sept. 20, 2021 Supplement at 1-3. Applicants identify what they refer to as *de minimis* overlaps of service areas between the Lumen LatAm Entities and ESI, as well as one of the Radiate companies. Sept. 20, 2021 (continued....)

National Security, Law Enforcement, Foreign Policy, and Trade Policy Concerns

When analyzing a transfer of control or assignment application that includes foreign investment, we also consider public interest issues related to national security, law enforcement, foreign policy, or trade policy concerns.³⁸ As part of its public interest analysis, the Commission coordinates with the relevant Executive Branch agencies that have expertise in these particular issues.³⁹ The Commission accords deference to the expertise of these Executive Branch agencies in identifying issues related to national security, law enforcement, foreign policy, or trade policy concerns raised by the relevant Executive Branch agencies.⁴⁰ The Commission, however, ultimately makes an independent decision on the application based on the record in the proceedings.⁴¹

Pursuant to Commission practice, the Bureaus referred the applications for transfer of control of domestic and international section 214 authority (WC Docket No. 21-340, IB File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124), the application for international section 214 authority (IB File No. ITC-214-20210824-00125), and the application for transfer of control of the cable landing licenses for the MAC, PAC, and SAC submarine cable systems (IB File No. SCL-T/C-20210821-00035), to the relevant Executive Branch agencies for their reviews on any national security, law enforcement,

Supplement at 1-2. Of the Lumen LatAm Entities, only GCAS and CLAS provide service in the contiguous 48 states, and only GCAS provides facilities-based services. *Id.* at 2. In San Diego, California and McAllen, Texas, GCAS, upon closing, will own or control facilities to provide international transport services in those service areas while ESI provides facilities-based wholesale services in those markets, consisting primarily of outdoor DAS/Small Cell networks and domestic dark fiber and domestic transport service. *Id.* at 2. Also upon closing, GCAS will be able to provide facilities-based transport services between the Hollywood, Florida and Grover Beach, California cable landing stations to proximate Equinix facilities in Miami and San Jose and Los Angeles, respectively, while one of the Radiate companies provides facilities-based services, primarily for residential and business end users, in Grover Beach, California. *Id.* at 2.

³⁸ See Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020) (setting rules and procedures for referring applications for Executive Branch review consistent with Executive Order No. 13913) (Executive Branch Review Order); Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-21, paras. 59-66 (1997) (Foreign Participation Order), recon. denied, 15 FCC Rcd 18158 (2000) (in opening the U.S. telecommunications market to foreign entry in 1997, the Commission affirmed that it would consider national security, law enforcement, foreign policy, and trade policy concerns related to reportable foreign ownership as part of its overall public interest review of applications for international section 214 authority, submarine cable landing licenses, and declaratory rulings to exceed the foreign ownership benchmarks of section 310(b) of the Act). See also Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations, et al., WT Docket 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10732-33, para. 349 (2019) (T-Mobile/Sprint Order).

³⁹ See Executive Branch Review Order, 35 FCC Rcd at 10935-36, paras. 17, 24.

⁴⁰ Id. at 10930, para. 7 (citing Foreign Participation Order, 12 FCC Rcd at 23920-21, paras. 65-66; Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Space Stations to Provide Domestic and International Satellite Service in the United States; Amendment of Section 25.131 of the Commission's Rules and Regulations to Eliminate the Licensing Requirement for Certain International Receive-Only Earth Stations, IB Docket No. 96-111, CC Docket No 93-23, RM-7931, Report and Order, 12 FCC Rcd 24094, 24171-72, paras. 179, 182 (1997)). See also T-Mobile/Sprint Order, 34 FCC Rcd at 10733, para. 349; Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended, Report and Order, 31 FCC Rcd 11271, 11277, para. 6 (2016), Pet. for recon. dismissed, 32 FCC Rcd 4780 (2017).

⁴¹ 47 CFR § 1.40001(b) ("The Commission will consider any recommendations from the [E]xecutive [B]ranch on pending application(s) . . . that may affect national security, law enforcement, foreign policy, and/or trade policy as part of its public interest analysis. The Commission will evaluate concerns raised by the [E]xecutive [B]ranch and will make an independent decision concerning the pending matter.").

foreign policy, or trade policy concerns related to the foreign ownership of the Applicants.⁴² On October 1, 2021, the Committee notified the Commission that it was reviewing the Applications for any national security and law enforcement concerns that may be raised by foreign participation in the United States telecommunications services sector and requested that the Commission defer action on the Applications.⁴³ We deferred action on the Applications in response to this request from the Committee. On January 12, 2022, the Committee notified the Commission that the Applicants had provided complete responses to initial questions posed by the Committee and that the Committee was conducting an initial review to assess whether granting the Applications would pose a risk to the national security or law enforcement interests of the United States.⁴⁴

In the June 28 Committee Petition, the Committee advises the Commission that it has no objection to the Commission granting the Applications, "provided that the Commission conditions its approval on the assurance of the applicants - GCAS, Patagonia Holdco, and CLAS (collectively, the 'Parties') to abide by the commitments and undertakings set forth in the April 21, 2022, Letters of Agreement (LOAs)" attached to the June 28 Committee Petition.⁴⁵

In accordance with the request of the Committee, and in the absence of any objection from the Applicants, we grant the June 28 Committee Petition, and, accordingly, we condition grant of the transfer of control of domestic and international section 214 authority, grant of the international section 214 authorization, and grant of the transfer of control of the cable landing licenses for the MAC, PAC, and SAC submarine cable systems on compliance by the Applicants with the commitments and undertakings set out in the LOAs that apply to the Applications.⁴⁶ A failure to comply with and/or remain in compliance with any of the provisions of the LOAs shall constitute a failure to meet a condition of this grant and the underlying authorizations and licenses and thus grounds for declaring the underlying authorizations and licenses terminated without further action on the part of the Commission. Failure to meet a condition of this grant and the authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

Grant of Applications Subject to Conditions

We find, upon consideration of the record, that the proposed transaction will serve the public interest, convenience, and necessity.⁴⁷ We grant the Applications and June 28 Committee Petition subject

⁴² Public Notice at 4.

⁴³ Letter from Christopher Clements, Attorney, National Security Division, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 at 1, Attach. 1 (September 30, 2021 Notification from David Plotinsky, Acting Chief, Foreign Investment Review Section, National Security Division, U.S. Department of Justice) (filed Oct. 1, 2021) (on file in WC Docket No. 21-340; ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125).

⁴⁴ Letter from Mark Goldberg, Attorney Advisor, Foreign Investment Review Section, National Security Division, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-340, ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125 at 1 and Attach. 1 (January 12, 2022 Notification from David Plotinsky, Acting Chief, Foreign Investment Review Section, National Security Division, U.S. Department of Justice) (filed Jan. 12, 2022) (on file in WC Docket No. 21-340; ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125).

⁴⁵ June 28 Committee Petition at 1-2.

⁴⁶ *T-Mobile/Sprint Order*, 34 FCC Rcd at 10732-33, para. 349; *Foreign Participation Order*, 12 FCC Rcd at 23918-21, paras. 59-66.

⁴⁷ See, e.g., Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 32 FCC Rcd 9581, 9594, 9605, paras. 26 and 52 (2017) (finding no harm to competition outside of CenturyLink's incumbent LEC territory, where applicants operate as competitive LECs, and further finding that the transaction "will expand the on-net reach of the newly combined (continued....)

to compliance with the Commission's rules and the conditions set out in this Public Notice. Our action here is without prejudice to any enforcement action that the Commission may take with respect to the underlying authorizations or licenses.

Pursuant to sections 4(i)-(j), 5(c), 214(a), and 214(c) of the Act, 47 U.S.C. §§ 154(i)-(j), 155(c), 214(a), 214(c), the Cable Landing License Act of 1921, 47 U.S.C. §§ 34-39, and sections 1.767, 1.40001-04, 63.03, 63.04, 63.18, 63.21-63.23, and 63.24 of the Commission's rules, 47 CFR §§ 1.767, 1.40001-04, 63.03, 63.04, 63.18, 63.21-63.23, 63.24, and pursuant to the authority delegated under sections 0.51, 0.91, 0.261, and 0.291 of the Commission's rules, 47 CFR §§ 0.51, 0.91, 0.261, 0.291, the Bureaus grant the Applications listed in Attachment A as conditioned in this Public Notice.

Pursuant to sections 4(i)-(j) and 214 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 214, the Cable Landing License Act of 1921, 47 U.S.C. §§ 34-39, and sections 1.767, 1.40001-04, 63.04, 63.18, 63-21-63.23, and 63.24 of the Commission's rules, 47 CFR. §§ 1.767, 1.40001-04, 63.04, 63.18, 63.21-63.23, 63.24, we grant the Petition to Adopt Conditions to Authorizations and Licenses filed by the National Telecommunications and Information Administration, on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector. Grant of the Applications is conditioned upon compliance by Global Crossing Americas Solutions, LLC, Patagonia Holdco LLC, and CenturyLink Latin American Solutions, LLC with:

- (1) the Letter of Agreement from Valeria Isabel Plastino, Vice President, General Counsel, Global Crossing Americas Solutions, LLC, Valeria Isabel Plastino, Vice President, General Counsel, CenturyLink Latin American Solutions, LLC, and Andrew Thomas, Managing Director and Authorized Signatory, Patagonia Holdco LLC, to Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice, dated April 21, 2022;
- (2) the Letter of Agreement from Valeria Isabel Plastino, Vice President, General Counsel, Global Crossing Americas Solutions, LLC and Andrew Thomas, Managing Director and Authorized Signatory, Patagonia Holdco LLC, to Assistant Secretary for Border, Immigration and Trade, Office of Strategy, Policy, and Plans, U.S. Department of Homeland Security; Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice; Office of Foreign Investment Review, Director, Undersecretary of Acquisition and Sustainment, U.S. Department of Defense, dated April 21, 2022;
- (3) the Letter of Agreement from Valeria Isabel Plastino, Vice President, General Counsel, Global Crossing Americas Solutions, LLC and Andrew Thomas, Managing Director and Authorized Signatory, Patagonia Holdco LLC, to Assistant Secretary for Border, Immigration and Trade, Office of Strategy, Policy, and Plans, U.S. Department of Homeland Security; Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice; Office of Foreign Investment Review, Director, Undersecretary of Acquisition and Sustainment, U.S. Department of Defense, dated April 21, 2022; and
- (4) the Letter of Agreement from Valeria Isabel Plastino, Vice President, General Counsel, Global Crossing Americas Solutions, LLC and Andrew Thomas, Managing Director and Authorized Signatory, Patagonia Holdco LLC, to Assistant Secretary for Border, Immigration and Trade, Office of Strategy, Policy, and Plans, U.S. Department of Homeland Security; Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on

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firm resulting in a more effective and stronger competitor against larger cable and incumbent LEC competitors, among others, particularly outside of Century Link's' [sic] incumbent LEC region, where it, like Level 3, operates as a competitive LEC.").

behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice; Office of Foreign Investment Review, Director, Undersecretary of Acquisition and Sustainment, U.S. Department of Defense, dated April 21, 2022.

Any failure to comply and/or remain in compliance with any of the conditions set out in the Public Notice shall constitute a failure to meet a condition of the underlying authorizations and licenses and thus grounds for declaring the authorizations and licenses terminated without any further action on the part of the Commission. Failure to meet a condition of the authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the consent granted herein is effective upon the release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Gregory Kwan, Wireline Competition Bureau, at (202) 418-1191 or David Krech, International Bureau, at (202) 418-7443.

Attachment A

SECTION 214 AUTHORIZATIONS

A. International

1. International Section 214 Authorization

The International Bureau grants the application of CenturyLink Latin American Solutions, LLC for authority to provide facilities-based service in accordance with section 63.18(e)(1) of the Commission's rules, and to provide resale service in accordance with section 63.18(e)(2) of the Commission's rules, 47 CFR § 63.18(e)(1), (2), subject to the conditions set out in this Public Notice. IB File No. ITC-214-20210824-00125. The grant of the application of CenturyLink Latin American Solutions, LLC authorizes it (1) to become a facilities-based international common carrier subject to 47 CFR §§ 63.21, 63.22; and (2) to become a resale-based international common carrier subject to 47 CFR §§ 63.21, 63.23.

2. Transfer of Control of International Section 214 Authorizations

The International Bureau also grants the following applications to transfer control of international section 214 authority, subject to the conditions set out in this Public Notice:

| <u>File Number</u> | Authorization Holder | Authorization Number |
|------------------------|---|--|
| ITC-T/C-20210820-00121 | Global Crossing Americas Solutions, LLC | ITC-214-19950717-00062 ITC-214-19950831-00047 ITC-214-19970703-00372 ITC-MOD-20200221-00034 |
| ITC-T/C-20210824-00124 | CenturyLink Latin American Solutions, LLC | ITC-214-20210824-00125 ⁴⁸ |

B. Domestic

The Wireline Competition Bureau grants the application to transfer control of domestic section 214 authority in connection with the proposed transaction, subject to the conditions set out in this Public Notice – WC Docket No. 21-340.⁴⁹

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⁴⁸ CenturyLink Latin American Solutions, LLC currently provides international service under the section 214 authorization held by its 100% direct parent, Level 3 Communications, LLC, pursuant to section 63.21(h) of the Commission's rules, 47 CFR § 63.21(h).

⁴⁹ 47 CFR § 63.03.

CABLE LANDING LICENSES

The International Bureau also grants the following application for the transfer of control of certain cable landing licenses, and *pro forma* assignment of certain cable landing licenses, subject to the conditions set out in this Public Notice:

| File Number | <u>Licensee</u> | License Number |
|------------------------|--|--|
| SCL-T/C-20210821-00035 | Global Crossing Americas Solutions, LLC | SCL-MOD-20020415-00035 ⁵⁰ SCL-MOD-20110524-00020 ⁵¹ SCL-MOD-20150129-00002 ⁵² SCL-MOD-20191202-00038 ⁵³ |
| SCL-ASG-20220323-00012 | Global Crossing Americas Solutions, LLC | SCL-MOD-20020415-00035 SCL-MOD-20110524-00020 SCL-MOD-20150129-00002 |

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⁵⁰ The current file number for the Mid-Atlantic Crossing (MAC) cable landing license. On March 23, 2022, a notification was filed concerning the *pro forma* assignment of the cable landing license held by Global Crossing Telecommunications, Inc. for the MAC cable system (IB File Nos. SCL-LIC-19981030-00023; SCL-MOD-20020415-00035) to Global Crossing Americas Solutions, LLC, effective March 1, 2022. *See* SCL-ASG-20220323-00012; *see also* Lead Application at 4, n.8; May 2, 2022 Supplement at 1, n.2.

⁵¹ The current file number for the Pan American Crossing (PAC) cable landing license. On March 23, 2022, a notification was filed concerning the *pro forma* assignment of the cable landing license held by Global Crossing Telecommunications, Inc. for the PAC cable system (IB File Nos. SCL-LIC-19981103-00022; SCL-MOD-20110524-00020) to Global Crossing Americas Solutions, LLC, effective March 1, 2022. *See* SCL-ASG-20220323-00012; *see also* Lead Application at 4, n.8; May 2, 2022 Supplement at 1, n.2.

⁵² The current file number for the South American Crossing (SAC) cable landing license. On March 23, 2022, a notification was filed concerning the *pro forma* assignment of the cable landing license held by Global Crossing Telecommunications, Inc. for the SAC cable system (IB File Nos. SCL-LIC-19990823-00015; SCL-MOD-20150129-00002) to Global Crossing Americas Solutions, LLC, effective March 1, 2022. *See* SCL-ASG-20220323-00012; *see also* Lead Application at 4, n.8 and May 2, 2022 Supplement at 1, n.2.

⁵³ The current file number for the Americas-II cable landing license.